

**Preserving LaCHIP:
Maintaining the Gains for Louisiana's Children**



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The lack of affordable, quality health care coverage is a major issue in America today and the state of Louisiana continues to have one of the highest rates of uninsured citizens in the nation. The plight of the uninsured is nationally significant and finding solutions challenges all levels of government. One successful solution in recent years has been the expansion of health coverage for children through the State Children's Health Insurance Program (SCHIP). Over half of the children in Louisiana under age 19 are currently enrolled in publicly funded health coverage through either Medicaid or the Louisiana Children's Health Insurance Program, known as LaCHIP. The importance of preserving these programs and enrollment of eligible children in these programs cannot be underestimated. Health coverage for children is an important link to education and therefore a link to alleviating poverty. It is a profoundly vital safety net to Louisiana's low and moderate income working families.

Since the launch of the LaCHIP Program in November of 1998 and concerted efforts to identify, inform and enroll eligible children in Medicaid, net enrollment has increased by more than 334,000.¹ LaCHIP has been the catalyst for significant reforms resulting in the third highest percentage reduction of uninsured children in the nation.² This achievement could not have been attained without important policy and procedural changes to the enrollment and renewal processes. Examples of programmatic and procedural reforms and simplifications undertaken in Louisiana include the following:

- a one page(front and back) application form that is widely distributed
- elimination of face-to-face interview requirement
- reduced documentation verifications
- 12-month continuous eligibility
- one page renewal form and more convenient renewal options
- toll-free hotline service
- Spanish and Vietnamese applications and language assistance
- Expanded CommunityCARE program linking children to a "medical home"

The tremendous gains in enrollment and simplifications of the processes must be maintained. Louisiana, whose children are among the poorest in the United States can not afford for these programs to be curtailed in any way. Economic malaise must not be allowed to encroach upon and threaten the integrity of these programs in Louisiana. The significance of this cannot be understated as many states are beginning painful cuts to their Medicaid and SCHIP programs because of fiscal constraints. Recent experience in other states has demonstrated the adverse impact to children and families of rolling back policy and procedural changes. In Texas, over 100,000 children have been removed from the SCHIP Program since changes were implemented in July 2003. The recent addition of new restrictions in Florida, Wisconsin, and Washington have resulted in tens of thousands of children losing health coverage in those states and joining the ranks of the uninsured.

Polarizing priorities at national and local levels must not be allowed to undermine efforts to maintain the gains achieved by these coverage programs. Louisiana families suffering from chronic poverty deeply depend on them. Substantial research evidence shows that expanding eligibility for and enrollment in Medicaid and SCHIP have important benefits for the children and families who are directly affected by the programs, as well as for the communities in which they live.³ Studies show that public coverage matters for children and families in the following ways:

1. Promotes Access to Care
2. Increases Use of Necessary and Appropriate Care Improves Families Financial Security
3. Improves Families Well-Being – Help Children Learn and Participate in Normal Childhood Activities
4. May Promote Employment Among Parents
5. Brings Federal Matching Funds Into States, Providing Fiscal Relief
6. Brings Federal Matching Funds Into Louisiana Promoting Community Economic Development Through Jobs Creation and Income
7. Help Assure Community Access to Care, Reducing Uncompensated Care Burdens on Providers and Localities, and Strengthening Local Provider's Capacity to Serve All People

Louisiana has the highest poverty rate in the nation at 20.3%.⁴ The number of Louisiana children living in poverty is increasing at almost twice the national rate. Local and national research indicates that a greater investment in health and education of young children will reduce the rate of crime and dependency on welfare programs down the road.⁵ Substantial efforts have been made to address the health care needs of children in Louisiana by linking them to public health programs.

A major factor in reducing the number of uninsured children in Louisiana has been the continuing focus in the state on outreach and it is essential that this focus continue. While great strides have been made in reducing the percentage of uninsured children, Louisiana continues to have an inordinately high percentage of uninsured children. Cessation or cutting back outreach will certainly result in decreases in enrollment rather than the increases that will be necessary to reach the remaining eligible but uninsured children. Regional outreach teams have been engaged in developing diverse partnerships to ensure that all eligible children get covered and these efforts must continue.

State officials must continue their pro-active approach to addressing the potential loss of eligible children at the point of annual renewal for procedural reasons (failure to return renewal forms or documents). Not only does this better serve families, it is significantly less expensive to process a renewal for an eligible child than to process a new application for that child. By developing creative solutions and adopting promising practices, Louisiana has managed to achieve a procedural closure rate of fewer than 5% of all children due for renewal in both its Medicaid and SCHIP Programs (considerably lower than any other state).

Enrollment of all eligible children in public health coverage has received strong support from Governor Kathleen Blanco's administration and is one of the immediate goals of her health reform efforts. Her commitment to reforming the health care system in Louisiana is a hopeful sign that the expanded benefits for children can be sustained in the face of the state's impending budget crisis.

References:

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4. United States Census Bureau American Community Survey, 2004
5. *Times Picayune*, October 20, 2004